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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/746,120	12/22/2000	Mohanasundaram Chinnappan	020431.0754	4237

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EXAMINER
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MYHRE, JAMES W

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 09/17/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/746,120

Applicant(s)

CHINNAPPAN ET AL.

Examiner

James W Myhre

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 29 June 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-32 is/are pending in the application.
- 4a) Of the above claim(s) 1-7, 19-28, 31 and 32 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 8-18, 29 and 30 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)             | 4) <input type="checkbox"/> Interview Summary (PTO-413)                     |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)    | Paper No(s)/Mail Date. _____  |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                                    |

## **DETAILED ACTION**

### ***Election/Restrictions***

1. Restriction to one of the following inventions is required under 35 U.S.C. 121:
  - I. Claims 1-7, 27, and 28, drawn to a database structure, classified in class 705, subclass 27.
  - II. Claims 8-18, 29, and 30, drawn to a method for conducting a transaction, classified in class 705, subclass 26.
  - III. Claims 19-26, 31 and 32, drawn to a product which can be identified by a number, possibly classified in class 705, subclass 1.

The inventions are distinct, each from the other because of the following reasons:

Inventions I, II, and III are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct from each other if they are shown to be separately usable. In the instant case, invention I has separate utility such as the database may be used to store product classes without performing a transaction as in invention II and without having a physical product as in invention III. Likewise, invention II has separate utility such as the method can be used to conduct transaction without utilizing the database of invention I and for products other than the one in invention III. Finally, invention III has separate utility such as the physical product which can be identified by a number without the number being stored in the database of invention I, nor does it have to be part of the transaction method of invention II. See MPEP § 806.05(d).

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2. During a telephone conversation with Christopher W. Kennerly on September 9, 2004 a provisional election was made without traverse to prosecute the invention of Group II, claims 8-18, 29, and 30. Affirmation of this election must be made by applicant in replying to this Office action. Claims 1-7, 19-28, 31, and 32 are withdrawn from further consideration by the examiner, 37 CFR 1.142(b), as being drawn to a non-elected invention.

3. Applicant is reminded that upon the cancellation of claims to a non-elected invention, the inventorship must be amended in compliance with 37 CFR 1.48(b) if one or more of the currently named inventors is no longer an inventor of at least one claim remaining in the application. Any amendment of inventorship must be accompanied by a request under 37 CFR 1.48(b) and by the fee required under 37 CFR 1.17(i).

### ***Claim Rejections - 35 USC § 101***

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 8-18, 29, and 30 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process,

machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409

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U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the

patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, the two steps in both of the independent method claims (Claims 8 and 29) are "communicating a globally unique identifier (GUID) for a particular product to a seller of the particular product" and "specifying to the seller a desired commercial transaction involving the particular product uniquely identified by the GUID". However, no mention is made of any technology being used to complete either step. The two steps read on a human customer orally communicating a GUID to a seller and then orally specifying his desire to conduct a transaction for the product which the GUID identifies. Thus, the entire claimed invention is conducted with no connection to any type of technology. The examiner notes that the other terminology used in the claim to define what the GUID is, what it identifies, and who or where the products are

being categorized (e.g. "distributed plurality of seller databases") do not limit the invention to any technology either. The distributed seller databases could consist of no more than each seller having a card catalog of available products or even merely a memorized list of available products. Therefore, the above group of claims are considered to be directed towards non-statutory subject matter.

In order to overcome the above rejection, the Examiner suggests the Applicant amend the claims to more directly identify which steps are being performed by what type of technology. For example, the first step could be changed to read "communicating over a computer network a globally unique identifier..." or some similar terminology for which there is support in the specification. Likewise, the second step of specifying a desired transaction to the seller could be similarly amended to include the computer network. While it is also recommended that the Applicant amend the claims to indicate that the seller databases are electronic databases distributed throughout the computer network, this amendment alone would not overcome the above rejection, since the steps do not indicate any activity being performed with the databases.

### ***Claim Rejections - 35 USC § 112***

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 8-18, 29, and 30 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.



7. Claims 8-18, 29, and 30 rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential steps, such omission amounting to a gap between the steps. See MPEP § 2172.01. The omitted step is the completion of the commercial transaction indicated in the preamble of the claims. According to the preamble, the goal of the claims is "A method for conducting a commercial transaction involving a product". However, none of the claims actually conduct the transaction, but stop once the buyer has specified a desired transaction, i.e. placed an order. The Examiner recommends the Applicant add an addition step to the independent claims in which the order is actually processed (if supported by the specification) or to change the preamble of the claims to, for example, "A method for submitting a purchase order involving a product" or some similar terminology supported by the specification.

### ***Double Patenting***

8. Claim 29 is objected to under 37 CFR 1.75 as being a substantial duplicate of claim 9. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

Claim 29 contains the exact limitations as Claim 8, plus the additional limitation of Claim 9. Claim 9 is dependent from Claim 8 and, thus, also contains all the limitations of Claim 8, plus it's own additional limitation. Therefore, Claim 29 is a duplicate of Claim 9.

***Claim Rejections - 35 USC § 102***

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

9. Claims 8-18, 29, and 30 are rejected under 35 U.S.C. 102(e) as being anticipated by Riordan et al (6,078,891).

Claims 8, 9, and 29: Riordan discloses a method for conducting a commercial transaction involving a product, comprising:

- a. Communicating a globally unique identifier (GUID) for a particular product to a seller (col 4, lines 7-51); and
- b. Specifying to the seller a desired commercial transaction involving the particular product (col 4, lines 7-51).

Riordan further discloses that the GUID, which he calls a unique identification code (UIDC), identifies at least one product class within a class hierarchy and further identifies the particular product within that product class (col 8, lines 17-61). Riordan also discloses that the database further includes information pertaining to each retailer's identification and location (col 10, lines 25-36), thus, disclosing that the directory database pertains to a plurality of sellers and seller databases.

Claim 10: Riordan discloses a method for conducting a commercial transaction as in Claim 9 above, and further discloses the GUID includes the class numbers of every parent product class of the product (col 8, lines 17-61).

Claims 11 and 30: Riordan discloses a method for conducting a commercial transaction as in Claims 8 and 29 above, and further discloses identifying the seller of the particular product according to a repository identifier (RID), which he calls a retailer identification field (col 10, lines 25-36).

Claim 12: Riordan discloses a method for conducting a commercial transaction as in Claim 11 above, and further discloses conducting the transaction online by the customer entering the seller's website address (i.e. electronic address)(col 4, lines 25-34).

Claim 13: Riordan discloses a method for conducting a commercial transaction as in Claim 11 above, and further discloses the electronic address of the seller is stored at the global content directory (col 10, lines 25-36).

Claim 14: Riordan discloses a method for conducting a commercial transaction as in Claim 8 above, and further discloses communicating the buyer's identification to the seller (col 9, lines 47-57).

Claim 15: Riordan discloses a method for conducting a commercial transaction as in Claim 14 above, and further discloses associating the buyer identification with logistical information of the buyer (col 9, lines 47-57).

Claims 16 and 17: Riordan discloses a method for conducting a commercial transaction as in Claim 15 above, and further discloses the buyer information is at the seller or global content directory (col 9, lines 47-57).

Claim 18: Riordan discloses a method for conducting a commercial transaction as in Claim 15 above, and further discloses the buyer information comprises payment or shipping information (col 4, lines 7-51 and col 9, lines 47-57).

### ***Response to Arguments***

10. Applicant's arguments with respect to claims 8-18, 29, and 30 have been considered but are moot in view of the new ground(s) of rejection.

### ***Conclusion***

11. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

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12. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a. Reed et al (3,961,164) discloses that UPC codes contain a hierarchy of sub-codes which identify the manufacturer and the product (item number).

b. Bowers et al (5,963,134) discloses using RFID tags to identify products, such as books, using unique identification numbers based on the Dewey Decimal System, which uses a hierarchy of product classes to identify a particular book.

c. Siefert (5,564,043) discloses a system which uses a hierarchy of product classes to identify a particular product within a plurality of product resources (i.e. seller databases).

d. AT&L Knowledge Sharing System, "Ask a Professor – Question & Answer Detail", 2 pages, disclose that a hierarchical product classification system which is based on product class and sub-class (Federal Stock Numbers – FSN) was in use by the Federal Government at least 30 years prior to the present application. Disclosed is the fact that the FSNs were replaced in 1974 by the National Stock Number (NSN) which includes a Federal Supply Class code identifying the general and specific category of the product.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached Monday through Thursday from 6:30 a.m. to 3:30 p.m.

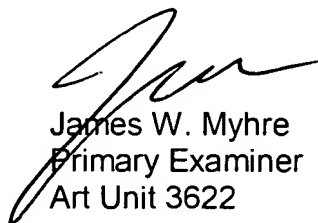
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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal or Official faxes to Technology Center 3600 is (703) 872-9306. Draft or Informal faxes, which will not be entered in the application, may be submitted directly to the examiner at (703) 746-5544.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.



September 13, 2004



James W. Myhre  
Primary Examiner  
Art Unit 3622